

Shasta Local Agency Formation Commission



Final Municipal Services Review & Sphere of Influence Update

Shasta Community Services District

September 2014

**Shasta Community Services District
Municipal Service Review & Sphere of Influence Update**

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1. EXECUTIVE SUMMARY

Local agency formation commissions have been tasked with updating local agency municipal service reviews (MSR) and sphere of influence boundaries (SOI) every five years since 2008 [Government Code Section 56425 *et seq.*]. This study presents a baseline review of the Shasta CSD services and SOI needs, satisfying the requirements of this statute.

The first sphere of influence study for the Shasta Community Services District (Shasta CSD) was conducted and approved by Shasta LAFCO in 1986. A MSR was developed and approved in 2003 without a concurrent SOI update. At the present time Shasta LAFCO is updating both the SOI and MSR for this District.

The baseline review seeks to associate the original formation purposes and activities of the Shasta CSD with an understanding of its current day operations and future plans.

2. GENERAL BACKGROUND

The following comes from the 2003 sphere of influence update and is worthy of sharing for its historical perspective of this community.

The picturesque gold mining town of Shasta was, for a time, the center of commerce and social activity in northern California. An 1885 Shasta County Directory included this colorful description of the community at that time:

“Shasta. This place, the county seat and the largest town, is situated in the southwesterly part of the county, on the main road leading from Redding to Weaverville and Eureka. It is seven miles distant from Redding, which is the present shipping point, although the railroad approaches within about two miles farther north, and arrangements are in progress for a more immediate connection. The road from Redding, as well as beyond Shasta, is an excellent turnpike, with easy grades. The town is prettily laid, and lying as it does in the foothills of the mountains surrounding the Sacramento Valley at an altitude of 1160 feet, above the sea, is as attractive a town as can be found in the mountains, and [has] a sanitary point of view excelled by none. The place was settled in 1850, and was originally known as “Reading’s Springs”, being afterwards changed to Shasta in honor of the grand mountain peak which overlooks the entire region. The U.S. Land Office for northern California is located here. Shasta possesses full and complete telegraph, daily mail and express facilities. The principal public and larger buildings are comprised [of] the Court House, two churches, two hotels, and the halls of the Masons and Odd Fellows.”

Despite the optimistic outlook in 1885, the new Central Pacific Railroad elected to bypass Shasta and place its terminal in nearby Redding. Previously lucrative stagecoach and freight operations began losing business, and most of the merchants either abandoned their businesses outright or relocated to Redding. In 1888, after three decades at Shasta, the county seat moved to Redding. The town center fell into profound decline thereafter.

Fortunately, in the early 1920's, several groups and individuals had come to recognize the significant historical value of Shasta's 'boom to bust' story. They launched an effort to purchase and preserve land and structures, among them the early schoolhouse, the row of burned out brick buildings that had once housed a brewery, bakery, and general store, and the spring houses that were used as natural refrigerators.

The California State Parks Commission acquired additional properties in 1937, and in 1950 the restored Courthouse Museum opened. The photos on this page are of the Courthouse and brick ruins across from the Courthouse. Near the State Park are community-serving businesses and public facilities, including an elementary school, post office, fire hall, water district office, small grocery store and a café.

While the commercial and retail aspects of the town never regained its former vitality, the area surrounding the town retained a residential population that has grown steadily over time. Some families continued to live in the older "historical" homes generally located along the side "alleys" (as the streets in town were originally named) adjacent to Highway 299 near the community center. Some new homes were also built nearby. Later homes began to appear on the higher hillsides and wooded areas surrounding the town. With the construction of public and private roads into previously inaccessible areas, homes were built even higher up the hillsides off of Swasey, Highland, and Victoria Drives southeast of town, above Mule Town and Black Bart Roads to the west of the town, and along and off of Rock Creek Road in the northern sector.

The Shasta area today is essentially part tourist attraction and part bedroom community. Residents in the area largely commute to the Redding area to work and buy goods and services. The U.S. Census recorded a population of 2010 in the Shasta area.

3. AGENCY SERVICES

Formation of the Shasta CSD was initiated by petition of landowners and registered voters and submitted to the County Board of Supervisors on April 6, 1959. The Board approved the request and set the matter for election before the registered-voters. The proposal received more than a simple majority approval from voters on June 24, 1959, and the Board declared the District to be organized on July 6, 1959. Since formation of the District, the Shasta LAFCO has approved five annexations and two reorganizations that expanded the District's boundary, and a water services agreement with the Anderson-Cottonwood Irrigation District.

Shasta CSD is generally bounded on the northeast by CSA #25- Keswick (formerly the Keswick CSD), the southeast by the City of Redding and Centerville CSD, the south by Centerville CSD, and on the west by U.S. Forest Service lands and the Whiskeytown National Recreation Area. Bureau of Land Management (BLM) parcels are interspersed throughout the District. The District office is located on French Alley on the north side of Highway 299W. The District Fire Hall is located on the south side of Highway 299W off of High Street.

At the time of formation, Shasta CSD encompassed 7,385 acres, or 11.5 square miles. By 1985, the District encompassed some 6,400 acres. Currently the CSD encompasses about 7,360 acres, or approximately 11.5 square miles. The District is bisected by State Route 299 West.

Special districts provide focused services, as opposed to counties and cities that provide a long list of general services. Special districts have four distinguishing characteristics. Shasta CSD: (1) is an independent form of local government; (2) is governed by a board of directors, elected or appointed, from citizens living within the district; (3) provides services and facilities to the public; and (4) is defined by legally recorded boundaries, which can be amended from time to time.

The Legislative intent in the 2000 Community Services District Law update is expressed in very clear, broad strokes, defining the intent for community services districts, especially in remote areas, to provide services that would otherwise be difficult to obtain from other agencies (especially from a county or the state). G.C. section 61001(b) and (c) state:

- (b) The Legislature finds and declares that for many communities, community services districts may be any of the following:*
 - (1) A permanent form of governance that can provide locally adequate levels of public facilities and services.*
 - (2) An effective form of governance for combining two or more special districts that serve overlapping or adjacent territory into a multifunction special district.*
 - (3) A form of governance that can serve as an alternative to the incorporation of a new city.*
 - (4) A transitional form of governance as the community approaches cityhood.*
- (c) In enacting this division, it is the intent of the Legislature:*
 - (1) To continue a broad statutory authority for a class of limited-purpose special districts to provide a wide variety of public facilities and services.*
 - (2) To encourage local agency formation commissions to use their municipal service reviews, spheres of influence, and boundary powers, where feasible and appropriate, to combine special districts that serve overlapping or adjacent territory into multifunction community services districts.*
 - (3) That residents, property owners, and public officials use the powers and procedures provided by the Community Services District Law to meet the diversity of the local conditions, circumstances, and resources.*

A community service district is often the best way for a community to begin organizing basic town services, as Shasta CSD citizens did in 1959, because the law provides these districts with the power to provide almost every service a city can provide, with the requirement, of course, that the affected community agrees to pay for these services. G.C. 56036(a) definition states: "District" or "special district" means an agency of the state, formed pursuant to general law or special act, for the local performance of governmental or proprietary functions within limited boundaries.

After its formation in 1959, the Shasta CSD immediately initiated fire protection and emergency services in 1960, and by 1964 the District was also providing domestic water services to its citizens. Community services district was recently updated and CSDs are now

authorized to provide any and/or all of the 31 special district services enumerated in Section 61100 of the California Government Code. In a survey circulated by LAFCO in 2005 the District indicated it was currently focused on providing the following authorized services:

- Supply water for any beneficial uses, in the same manner as a municipal water district, formed pursuant to the Municipal Water District Law of 1911, Division 20 (commencing with Section 71000) of the Water Code.
- Provide fire protection services, rescue services, emergency medical services, and other services it is empower to provide pursuant to the Fire Protection District Law, Part 2.7 (commencing with Section 13800) of Division 12 of the Health and Safety Code.
- Acquire, construct, improve, maintain, and operate recreation facilities, including, but not limited to, parks and open space, in the same manner as a recreation and park district formed pursuant to the Recreation and Park District Law, Chapter 4 (commencing with Section 5780) of Division 5 of the Public Resources Code.
- Acquire, construct, improve, and maintain roads, rights-of-way, bridges, culverts, and any incidental works. It must obtain consent before conducting any work owned by another public agency.
- Acquire, construct, improve, maintain, and operate community facilities, including but not limited to, community centers.

a. Infrastructure, Facilities and Services

Municipal Water Services

The Shasta CSD's Master Water Plan addresses infrastructure needs and is regularly updated. The executive summary details planned maintenance and upgrades to facilities and infrastructure. Discussions are being held with engineering consultants for a program to inspect of eight water tanks that need restoration, set a priority list and schedule for this work; preliminary tank inspections are currently underway. A 150,000 gallon tank at the water treatment plant is currently being restored. Within the next six months an intertie connecting the CSD with the City of Redding Intertie Project will be constructed. This project will provide Shasta CSD with additional water during emergency situations.

Shasta CSD was awarded a loan through the State Revolving Fund to upgrade to the water treatment plant. This work was completed in 2008. The District is also looking into grant and loan options through the USDA for the intertie project. A Water Smart Grant through the US Bureau of Reclamation for new radio read water meters, GIS, and telemetry was recently concluded. All water tank restoration work will be paid from District reserves. The main priority for the District at the moment is to complete restoration of the remaining eight water tanks.

District facilities are fully utilized. It would not be beneficial at this time to share any Shasta CSD facilities with other agencies. Service needs are based on the number of services that the District can provide on the average annual household usage and available water resources, using a formula that includes contingency factors.

There are currently 864 connections, with 21 connections remaining and available for new services. The District has been discussing options of entering into contractual agreements to provide up to an additional 200 acre-feet for future development within the District. Customers who require the District to pump water to higher elevations pay an additional electrical fee to cover the pumping costs.

The District is not new granting water service connections for new construction this year due to the effects of a long-term drought. One currently proposed development for seven parcels, four of which are outside Shasta CSD's current boundary. The proposed SOI updated boundary has been adjusted to reflect this proposed action. These will need to be annexed into the CSD and detached from Centerville CSD, and the landowner has submitted a reorganization proposal to Shasta LAFCO for this project.

Shasta CSD and the City of Redding have a service agreement for the area recently annexed by the City. Shasta CSD is to provide water to existing customers who were already receiving water prior to the annexation.

An agreement to utilize the City of Redding Intertie Project for water transfers has been approved. This will allow the District to obtain water from Redding during emergency situations. The District's water treatment plant and the Benson pump station have a generator receptacle and transfer switch as well as a standby generator. The other four pump stations do not have receptacles, but can be connected to a generator with some work by the operator. The time of year would determine how long each pressure zone could go without electricity.

Fire Protection and Emergency Services

The Shasta Fire Department is the modern-day service provider of fire and emergency response services for the Shasta CSD. It is also the successor agency to the original Shasta Fire Department organized in 1852, over 162 years. Fire protection and emergency response services were the very first services established by the new Shasta CSD.

The Fire Department has one full-time battalion chief, one part-time fire chief, three seasonal firefighters, and ten volunteer firefighters. Staff participate in ongoing training programs to keep their credentials up to date, with 80% of fire personnel red card eligible, which permits credentialed individuals and strike team units to travel to

fire and other emergency incidents outside of Shasta County to assist other agencies and jurisdictions. The red card itself is no more than a printout of the current wildland fire qualifications of an individual. It's part of the fire qualifications management system used by most state and federal wildland fire management agencies. All firefighters assigned to a fire being managed by a federal agency (U.S. Forest Service, Bureau of Land Management, National Park Service, Bureau of Indian Affairs or U.S. Fish & Wildlife) and many state agencies are required to have a red card. In a sense, it's similar to a driver's license. It shows that the holder of the card has completed all the course work and training required to hold a particular position.

The District Fire Hall is located on the west side of Highway 299 West at the corner of High Street and Buell Alley. The fire hall was built in 1962, and an addition on the west end was added in the mid-1970s. The general condition of the building is considered good. There is no formal schedule for improvements; maintenance work is accomplished with donated materials and volunteer labor. The Department does not maintain a capital improvement fund for fire services, and, due to funding constraints, cannot at this time operate a regular preventative maintenance schedule. Service needs forecasts come from actual residential growth in the District and call volumes.

The Shasta Fire Department maintains the following inventory of apparatus and equipment:

- Engine 56 – 1989 Type I Class A Pumper in very good condition
- Engine 256 – 2002 Type II Class A Pumper in excellent condition
- Engine 556 – 1981 (re-powered in 1992) Type III Wildland Engine in good condition
- Water Tender 56 – 1992 (re-manufactured in 2003) 25,000 gallon
- Rescue 256 – 1978 Utility Rescue Truck in fair condition
- Holmatro Jaws of Life in excellent condition

Apparatus replacement are made on a 15-year cycle. Generally the 15 to 30 year old equipment is second out or reserve equipment. Equipment 30 years and older is sold. Other equipment such as self-contained breathing apparatus and Jaws of Life are repaired or replaced as needed. Self-contained breathing apparatus bottles are replaced at the end of their ten-year shelf service life. Replacement of fire department apparatus and equipment is funded in part through the property tax revenue that flow to the department and through local fund raising efforts.

The Shasta Fire Department maintains mutual and automatic aid agreements with other fire protection agencies including the Shasta County Fire Department, Centerville CSD, the City of Redding, the California Department of Forestry and Fire Protection (CDF), and the National Park Service. Through these agreements the agencies shares facilities, infrastructure, and services toward achieving mutual

maximum effectiveness in the delivery of fire protection and emergency response services. Specific to the Shasta CSD Fire Department agreement with Shasta County, the Shasta County Fire Department (CSA #1) is reimbursed for providing fire protection within the Shasta community. This helps offset costs to the County for a portion of the costs of the Cal Fire Amador contract station located off of Highway 299W at the intersection of Iron Mountain Road.

Under the terms of the contract with Cal Fire and the California Office of Emergency Services, the Shasta Fire Department participates when a “Strike Team” is called for by the Cal Fire emergency command and control center. A “Strike Team” is a group of five engines with a team leader. Under the contract, Shasta CSD agrees to provide a fire engine as part of one of the teams to respond anywhere in California, provided they have not been called out on a local fire. Cal Fire reimburses Shasta CSD at an hourly rate for the cost of apparatus, and at hourly rates for each firefighter.

With implementation of the Master Mutual Aid Plan with the State of California, the District can respond anywhere in California. It maintains mutual and automatic aid agreements with local, federal and state fire agencies.

With respect to the District’s ability to meet fire flow requirements and Shasta County Fire Safe Standards, the Master Plan includes the following discussion:

“Fire flow capacity at hydrants tested by PACE substantially meets the District’s fire flow requirement of 500 GPM for two hours at all but one fire hydrant. Highland Park West Phase III subdivision fails to meet the required 60,000 gallons of fire flow storage. In 1985, the Insurance Services Office (ISO), responsible for rating fire protection and water facilities, gave the water system 57.93 points out of a possible 100 points after inspecting the system and testing 8 hydrants. The District received a Class 5 rating on a scale of 1 to 10 (1 being the best possible rating) for the overall fire protection and water system. This is considered a good rating for a small community with a mainly volunteer fire department.

“Shasta County Fire Safety Standards require fire hydrants to be within 750 feet of each home, and the District requires fire hydrants to be spaced no more than 500 feet apart. Based on these standards, there are approximately 23 hydrants needed in the community.”

According to the Master Plan, the District has a detailed map of hydrant locations and has a specific plan for installing new hydrants.

The Fire Department mission statement reflects the high standard set by the District and its staff:

It is the mission of the Shasta Fire Department to provide the best possible care to the people that live, visit and travel through the area served by the Shasta Fire Department. Professional care and treatment will be provided to all patients without prejudice to race, color, creed, religion or sexual orientation. We are constantly striving for improvements in the care delivered, the quality of membership, the quality of training and education provided to our members, patients and members of the community. It is the Shasta Fire Departments' commitment to serve and protect the lives, property and natural resources of the community of Old Shasta, Shasta County and State of California.

b. Administration, Management and Operations

When preparing or updating a municipal service review, information about administrative, management and operational functions, including assuring internal organization and agency policies, rules, and regulations, are evaluated with respect to efficiencies and/or cost avoidance opportunities.

The District employs five full-time staff. The Water Department staff consists of two water operators, one administrative assistant, and one general manager. The Fire Department staff consists of one full-time battalion chief; the fire chief is a part-time position. These positions have been in place for several years. The District does not anticipate a need for changing this roster for some time. When vacancies do open up they are quickly filled.

Policies governing employee and board member activities are being updated to reflect current industry operating standards and responsibilities, with additional training for board members. District employees are not discouraged from having personal communication with Board members; however, they are encouraged to funnel all information that pertains to the District directly through management. If a situation warrants it, a committee will be formed to present recommendations to the Board of Directors for discussion and approval. The general manager is responsible to make decisions with respect to District administration. Administrative decisions with respect to the Fire Department are made in concert with the fire chief.

c. Fiscal

Any purchases resulting in expenses greater than \$5,000 are required to go out to bid, unless it is an emergency situation. The District publishes notice of bid requests at least ten days before the bid opening date and not less than five days apart. A bid request is also posted to the CIP website.

Financial documents for water and fire services are included in the exhibits for detailed review purposes. Anticipated revenues for fiscal year 2014-2015, by department, are:

- | | |
|--------------------|-----------|
| • Water Department | \$546,580 |
| • Fire Department | \$239,055 |

Fire Department expenses are expected to remain within budgeted revenues. Water Department expenses, according to the budget, are anticipated to exceed revenues by \$75,873. The District receives fees, grants, property taxes, and donations in support of its water services, and fire services are supported by property taxes, strike team revenue, capacity fees, and grants.

Customers in the higher elevations that require the District to pump water to a storage tank in order to deliver water to them also pay additional electrical fees for that pumping. Inactive customers not receiving water pay less than active customers receiving water service. Commercial customers currently pay a different rate than residential customers. Drought over-usage limit penalties for May 2014 were reduced by one-third by the board of directors at their June 2014 meeting. (See Exhibit c.)

Rates were kept as low as possible from 1963 to 2011 with the result that reserves were nonexistent at the end of the 2010-11 fiscal year. In July 2011 the base rate was raised by \$8.00 in order to start putting money into reserves to permit the District to perform much needed maintenance work on the aging distribution system. The base rate was again raised by \$0.84 in July 2012. An ordinance has been established permitting the board of directors to raise rates by 2.5% each year, should they elect to do so.

The District manages a very conservative budget, providing due diligence on all fiscal matters and records.

d. Governance

The Board of Directors operates as the governing body for the District and are elected at-large. Shasta CSD is a registered-voter district. Members of the board receive a stipend of \$25 for each board meeting attended.

Board meetings are held monthly, or more often under special circumstances. Meetings are held on the third Wednesday of each month at 6:00 p.m. Agendas are posted at the District offices, at the local post office, at J's Market, and on the District website at www.shastacsd.org. Matters pertaining to District operations that require action by the Board are placed on an agenda for a regular meeting of the Board. Meetings are subject to the Ralph M. Brown Act and all State laws pertaining to

notification of public meetings on District matters. Meeting notices are given to all customers that include the date, time, place and purpose of the meeting.

4. REGIONAL CONTEXT/RELEVANT SERVICES BY OTHER AGENCIES

Land use and building regulation services within the Shasta CSD area are provided by the County of Shasta, as are law enforcement, road services and other general services provided to the unincorporated areas of the county by various county departments. The District maintains interagency cooperative agreements which benefit both the citizens within the district and neighboring agencies.

5. AGENCY BOUNDARY AND PROPOSED SPHERE OF INFLUENCE UPDATE MAPS.

The Shasta CSD's service area is bisected by State Highway 299 West, between the City of Redding to the east and Whiskeytown National Recreation Area to the west. The Centerville Community Services District abuts much of the District's most southerly boundary, and CSA #25 – Keswick provides services to the northeasterly boundary of the District.

It is proposed the Commission set the SOI boundary for Shasta CSD to include the territory shown on the enclosed map (Exhibit a.) of the proposed SOI Boundary Update at the end of this report.

6. WRITTEN DETERMINATIONS FOR THE MUNICIPAL SERVICE REVIEW

a. Growth & Population Projections

Development and growth within the District will be primarily guided by the rate of development. District operations and program growth needs will be included in and considered during applications for development permits so as to effectively meet expected service needs.

b. Disadvantaged Unincorporated Communities (DUCs)

Senate Bill 244 (2011) governing the identification of disadvantaged communities requires both counties and cities to undertake an inventory of these areas during updates of their General Plan Housing Element. In addition, LAFCOs are mandated to make determinations about disadvantaged communities within an agency or within its periodic municipal service review and sphere of influence updates, and with any boundary changes.

The current median per capita income for the state is \$46,477, and a local unincorporated community whose median per capita income falls below 80% of this figure would qualify for designation as a DUC. The unincorporated area serviced by the Shasta CSD has more than 12 registered voters and therefore qualifies as a “Disadvantaged Unincorporated Community.”

The median per capita income calculation for the Shasta Community Services District service area is estimated to be near \$28,306. In conjunction with a grant application to the State, the Rural Community Assistance Corporation (RCAC) conducted a survey of the community for purposes of establishing eligibility for that grant. With a 40% response, RCAC specialists concluded a median household income for the District to be \$48,500.

RCAC noted the following statistics for the 812 parcels within the District: 57 parcels with vacant homes; 6 parcels with vacation homes; 9 parcels with commercial uses; and a remainder of 740 parcels considered as households. Further data produced by RCAC’s survey can be obtained from Shasta LAFCO or the Shasta CSD general manager.

A “community” is defined in SB 244 as an inhabited area that is comprised of no less than 10 dwellings adjacent or in close proximity to one another, or at least 12 registered voters within the identified area.

Analysis by the County, to take place during specific General Plan element updates, includes evaluation of unmet service needs of these areas (i.e. failing septic systems, water or drainage issues, etc.). This can include such “communities” as trailer parks or resort areas. The District will want to be familiar with development of this data for future planning purposes since issues identified can directly affect service levels and requirements. With identification of these special areas and County plans and policies established to address their service needs, LAFCO will be able to incorporate that data during the next round of municipal service reviews and sphere of influence updates in 2019.

LAFCO is using a California State Parks (www.parks.ca.gov) to provide a guide estimating income and population levels (see attached sheets). The population counts shown on these reports only encompass a two mile diameter and may not reflect the actual population assigned to those areas.

Learn more about the Disadvantaged Communities process from a useful State Technical Advisory which can be downloaded from the Shasta LAFCO website at www.shasta.lafco.ca.gov under the “Resources” tab.

c. Present and Planned of Public Facilities

The District monitors capital improvement needs to maintain and upgrade service systems with Master Plans adopted by the Board of Directors. Future development will pay its pro rata share of costs for extension of existing or expansion into new services.

d. Adequacy of Public Services

District facilities are adequate for current service needs. It also has sufficient ability to access needed resources and capacity to serve the areas within the proposed sphere of influence boundaries, with the cost of extension of services again tied to development permits for future growth. Improvement in the local economy and application of reasonable fees and charges will assist with management and funding of their services.

e. Infrastructure Needs or Deficiencies

The District regularly monitors and evaluates its municipal water service for capacity, condition, availability, and quality. Correlation of operational, capital improvement, and finance plans are appropriate for the size of the District and its service area at this time. The Board of Directors are working to update systems to monitor these service needs and is working diligently to resolve identified infrastructure and equipment needs and deficiencies.

f. Financing Constraints and Opportunities

The District derives its service funding primarily from limited taxes, fees, and charges levied for services provided. As such, the District must maintain a reasonable nexus between fees and charges levied and the cost of the service provided, and seeks to be as efficient and innovative as possible in maximizing use of existing fiscal resources. The fire department endeavors to remain within budget and carefully monitors its equipment needs.

g. Opportunities for Rate Restructuring

There are inherent statutory limitations on the District's ability to restructure rates. The District regularly reviews fees and charges levied so as to maintain a reasonable nexus between rates and actual costs.

The District will also want to evaluate and employ effective rate setting procedures, identify conditions that could impact future rates, and give due

consideration to timely restructuring opportunities without impairing the quality of services.

h. Status of and Opportunities for Shared Facilities

Existing contractual agreements notwithstanding, there are presently inherent limitations – geographically, jurisdictionally, and operationally – on District water service facilities being extended to and/or shared directly with other areas or other water service purveyors outside its proposed SOI boundary. The lengthy drought also adds complications to resource sharing.

i. Accountability for Community Service needs, governmental structure, and operational efficiencies.

The District meets monthly (or more often if needed), notices meetings, and offers the public an opportunity to participate in their meetings, which are mainly focused on provision of water and fire services, and the maintenance of facilities.

District continues to strive towards an effective internal organization to provide efficient, quality services.

7. WRITTEN DETERMINATIONS FOR THE SPHERE OF INFLUENCE UPDATE

a. Present and planned land uses

Shasta County designates much of the area served as residential, rural residential, some agricultural, and outlying timber lands. This is a rural area, with community development either clustered around State Route 299 West or scattered about on secondary roads. Availability of water guides where development will occur.

b. Present and probable need for public facilities; adequacy of services

The District has ongoing capital improvement programs to maintain and upgrade service systems. Current facilities are meeting the immediate needs of the District.

c. Present capacity of public facilities and adequacy of services

District facilities are adequate for current service needs. It has the capacity to serve the areas within the proposed sphere of influence boundaries, with extension of services tied to development of parcels.

d. Existence of social or economic communities of interest

The District is located just west of the City of Redding. The City of Redding provides a major shopping and service industry hub for local residents.

e. Present and probable needs of disadvantaged unincorporated communities (DUCs) within the area.

As identified in the MSR section, the District service area qualifies as a disadvantaged community. Shasta County is undertaking a study of these DUCs as part of their General Plan update and additional information should be available for an expanded analysis of this designation during the next MSR/SOI Update which will be due in 2019.

8. CONCLUSION

In this review, Shasta LAFCO has endeavored to accurately assess the current services and organizational status of District as a provider of water and sewer services based upon information available at this time. This is the fourth review of this district since its formation in 1959, and it is expected that additional data will be brought forward, especially as future development occurs. LAFCO has made what we believe are substantiated determinations based upon prescribed statutory factors.

It is recommended that the municipal service review and sphere of influence update for the Shasta Community Services District be adopted as proposed on the enclosed SOI update map.

9. REFERENCES

- a. District (interviews, records)
- b. County of Shasta Departments
- c. Shasta LAFCO files for this district.
- d. Internet research on various sites.

10. EXHIBITS

- a. Map of proposed SOI Boundary
- b. District Response to Request for Information 2014
- c. District Financial Documents 2014-2015
- d. RCAC letter re Median Household Income Study 2014
- e. Community Calculator – District Area
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